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Asia-Africa

LAOTIAN SITUATION REMAINS PRECARIOUS

Pathet Lao leader Prince Souphannouvong's rejection of a proposal by Premier Souvanna to resume talks at a Council of Ministers meeting in Luang Prabang further dimmed the possibility of achieving a negotiated settlement of the Laos dispute.

Souvanna was already disheartened by the 3 May shooting at International Control Commission (ICC) helicopters near Khang Khay and the intransigence displayed by Pathet leaders during the 2-4 May talks there. These talks consisted primarily of Pathet Lao polemics against the United States, General Phoumi, and the Kong Le neutralists, with a personal attack on Souvanna. The Pathet leaders in effect repeated earlier demands, including withdrawal of the ICC from the Plaine des Jarres and of all of Phoumi's Lao army forces from so-called "liberated territory," and reintegration into the Kong Le neutralist ranks of the pro-Pathet "true neutralists" led by Col. Deuane.

The Pathet Lao's program calls for first settling all differences between themselves and the neutralists, and then for tripartite talks with Phoumi to settle "national problems." Among the latter the Pathet Lao apparently envisage the establish-

ment of a tripartite commission to revive efforts toward administrative integration, and the replacement of Phoumi's security force at Vientiane with a tripartite police force. Souvanna has stated that the Pathet Lao's intransigence indicates that they do not intend to negotiate but "want war, sooner or later."

The Pathet Lao, however, have been using this interval to reinforce their own positions. Communist counteraction against Meo units north of Xieng Khouang town is in progress, and more general attacks on both Meo and neutralist positions appear likely.

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Asia-Africa

SOUTH KOREAN POLITICAL MANEUVERING CONTINUES

Two years after its military coup, South Korea remains embroiled in political turmoil with no end of the conflicts in sight. Since junta leader Pak Chong-hui's promise to decide later this year whether to allow elections for a new civilian government or to submit to popular referendum the question of continuing military rule, no single group has established the organizational support necessary to assure an easy transition to representative government.

General Pak's recent call for a new pan-national movement has clouded the future of the Democratic-Republican Party (DRP), which former security chief Kim Chong-pil designed to give the junta control over a successor government. The new organization is to absorb key elements of the tarnished DRP. So far, however, it has failed to attract the support of significant civilian political elements.

[redacted] factional squabbles have damaged the image of civilian leaders as an alternative to the present government. Neither former prime minister Ho Chong nor former President Yun Po-sun has managed to consolidate potential supporters of his respective party. Lesser parties are also subject to divisive influences [redacted]

Meanwhile increasing inflationary pressures are having an unsettling effect on the economy. The situation probably still could be stabilized by firm government action without serious strain or a recession, and the new chairman of the Economic Planning Board has already initiated corrective measures. The junta leadership has not yet made clear its backing of these steps, however, and if Pak Chong-hui decides to run for president, he is likely to increase public spending to promote his campaign. [redacted]

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Asia-Africa

NEW CRISIS IN SYRIA

Recent action against Nasirist elements in Syria by the Baathist-dominated regime have increased the danger of clashes between pro- and anti-Nasir forces in the Syrian Army. The crisis jeopardizes the future of Syria's political union with Egypt and Iraq.

pro-Nasir demonstrations in Damascus and Aleppo on 8 and 9 May were forcibly suppressed by police.

Pressure by anti-Nasir elements in the Syrian Army apparently forced the regime to dismiss or transfer over 120 officers in late April. This and other moves by the Baathist regime in turn caused the resignations of five pro-Nasir cabinet ministers, leaving the regime under Baathist domination.

Since then the government also has shut down two local newspapers sympathetic to Nasir and has barred the entry of Egyptian newspapers.

In a statement broadcast by Cairo radio, one of the ex-ministers has charged that these developments result from the failure of efforts to form a national front in accordance with the 17 April Cairo proclamation on unity. A top-level Syrian delegation which went to Cairo to discuss the effect of Syrian developments on the new federation returned to Damascus on 8 May without reaching any conclusive result, possibly because Nasir is still en route back to Cairo from his visit to Algiers.

Cairo radiobroadcasts have stepped up pressure against the Damascus government, claiming that "all the people of all classes" in Syria are calling for the downfall of the Baathist regime. The Baath's elimination of Nasirists in Syria would appear to make a collision between Nasir and the Baath unavoidable, although both sides want to avoid one. If they do collide, prospects for a meaningful federation would collapse.

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Asia-Africa

MOROCCAN PARLIAMENTARY ELECTION ON 17 MAY

The 17 May election for the lower house of Morocco's first parliament is the first of a series of seven scheduled through early October to provide Morocco with representative local, provincial, and national institutions under the constitution adopted in December. Although supporters of the King are expected to win 80 to 90 percent of the 144 seats, the two leading opposition groups--the right-wing Istiqlal and the leftist National Union of Popular Forces (UNFP)--are waging hard campaigns.

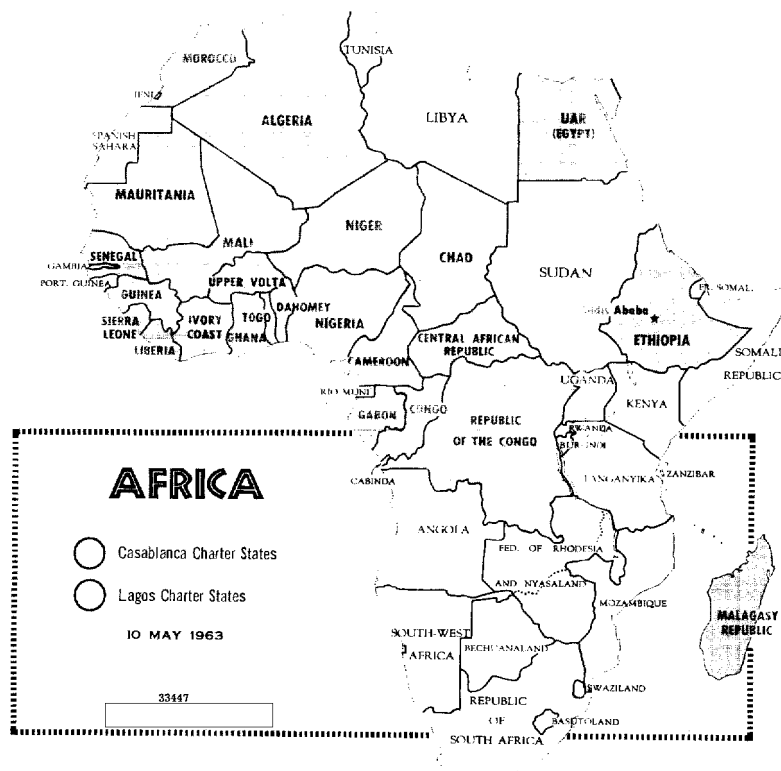
The King reasoned that by holding national elections as the first of the series he would clearly demonstrate his strength on broad national issues and find it relatively easy to win support in subsequent contests. He may also have believed that giving opposition forces only a month to prepare for the most significant contest would prevent them from developing a coherent attack on sensitive issues such as foreign bases and Morocco's orientation between the East and West.

Although the two major opposition groups considered boycotting the elections--as the UNFP did in the constitutional referendum in December--both have submitted candidates in all constituencies. Several leaders of the illegal Communist Party are running as independents. These candidates will in most instances meet the formidable competition of those selected by the proroyalist Front for the Defense of Constitutional Institutions.

The opposition has been concentrating its attack less on issues than on an individual, Ahmed Reda Guedira, director general of the Royal Cabinet who holds portfolios of both interior and agriculture. Guedira was principally responsible for organizing the government's party and, as interior minister, for arranging election procedures. Both the Istiqlal and the UNFP charge that he has fixed the elections --although the US Embassy discerns no glaring instances of gerrymandering.

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Asia-Africa

AFRICAN HEADS OF STATE TO MEET AT ADDIS ABABA

Leaders of African states of both the moderate and radical groupings will hold a summit conference in Addis Ababa from 23 to 25 May. A meeting of foreign ministers to set the agenda is to begin on 15 May.

This all-African gathering, which promises to be the largest and most spectacular of its kind since the first one in Accra in 1958, has been in preparation for over a year. It developed directly from the series of meetings sponsored since 1961 by the grouping of moderate states formalized last December by a charter signed in Lagos, Nigeria. Concurrently, certain adherents of the more militant 1961 Casablanca Charter, notably Guinean President Sekou Touré, have played an important role in fostering a rapprochement between the two groups as divisive issues, such as the Congo, have receded.

Most if not all of Africa's 32 independent states--excluding South Africa, which was not invited--will be represented by their heads of state or government. Acceptance of the newly elected regime of Togolese President Grunitsky, which is still not recognized by most African states and is strongly opposed by Touré, will be discussed at Addis and may provoke sharp controversy. Selected African nationalist leaders from dependent territories will apparently be permitted to participate in all sessions, but non-African observers will be admitted only to the public opening and closing ceremonies.

Proceedings and final resolutions will, as usual, focus heavily on the twin themes of anticolonialism and African unity. Specific attention is certain to be directed to Portugal's African domains, Southern Rhodesia, and South Africa. Some of the participants, notably Ghana's Nkrumah, apparently intend to press for expanded material aid to embattled "freedom fighters."

Nkrumah has made a strong bid to steer the conferees toward early organic unity by circulating a scheme for a "Union Government of African States." However, any steps taken at Addis to institutionalize the unity urge are more likely to develop from proposals formulated for the Ethiopian Government by Chile's ambassador to the Organization of American States (OAS), Manuel Trucco. He counseled the Ethiopians not to advance the Lagos Charter as an initial working document--a tactic likely to invite early friction with the Casablanca states--but to focus attention instead on a series of draft resolutions and statutes on noncontroversial topics which he has prepared.

Such drafts provide for permanent inter-African functional committees for economic-social, educational-cultural, and scientific-technical cooperation. Other Trucco drafts deal with peaceful settlement of disputes, reciprocal assistance, and a general secretariat--and possibly other organs--based on applicable OAS and UN articles. As a final step, agreement would be sought on a common charter for the new pan-African system.

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Asia-Africa

AREA NOTES

Congo: After trying vainly for weeks to obtain a UN "umbrella" for his army retraining plans, Congolese Premier Adoula on 3 May formally requested that Belgium, Canada, Italy, Israel, and the US do the job directly. The plans are likely to be attacked not only in Leopoldville but in the special session of the UN General Assembly scheduled to begin on 14 May. Arab and other Asian and African members of U Thant's Congo Advisory Committee maintain that the presence of Israel and the NATO affiliation of the other countries would prejudice Congolese neutrality. In the face of their protests the secretary general has been unwilling to accept a coordinating role for the UN. The UN's new Congo chief, Max Dorsinville, nevertheless maintains that Thant has not completely barred a UN "umbrella" role. [redacted]

Pakistan-Afghanistan: The Pakistani and Afghan governments

are seeking to restore diplomatic and consular relations and to reopen the border to Afghan trade crossing Pakistan. Pakistan's President Ayub reacted favorably to the resignation in early March of Afghan Prime Minister Daud, chief figure in Afghanistan's dispute with Pakistan over the Push-toonistan question.

To speed restoration of relations, Ayub has authorized Iran to inform the Afghans they will be permitted to reopen all the offices they maintained in Pakistan before the break in relations in September 1961, including the important consulate in Peshawar. The new regime in Kabul under King Zahir and Prime Minister Yusuf wants to restore the traditional access route through Pakistan to free-world markets and has agreed to early negotiations. Both sides have moderated their propaganda to pave the way for talks under the Shah's good offices. [redacted]

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RESULTS OF ITALIAN PARLIAMENTARY ELECTIONS

CHAMBER OF DEPUTIES	1963			1958			1953			1948		
	Votes	%	Seats	Votes	%	Seats	Votes	%	Seats	Votes	%	Seats
Christian Democrats	11,763,418	38.3	260	12,520,556	42.3	273	10,863,032	40.1	263	12,741,299	48.5	305
Communists	7,763,854	25.3	166	6,704,763	22.7	140	6,121,551	22.6	143	8,137,047*	31.0	131
Socialists	4,251,966	13.8	87	4,206,777	14.2	84	3,441,388	12.7	75			52
Liberals	2,142,053	7.0	39	1,047,073	3.5	17	817,404	3.0	13	1,004,889	3.8	19
Social Democrats	1,874,379	6.1	33	1,345,334	4.6	22	1,223,209	4.5	19	1,858,346	7.1	33
Neo-Fascists	1,569,202	5.1	27	1,407,550	4.7	24	1,582,727	5.8	29	526,670	2.0	6
Monarchists	536,652	1.7	8	1,436,654	4.8	25	1,855,807	6.9	40	729,174	2.8	14
Republicans	420,746	1.4	6	405,767	1.4	6	438,027	1.6	5	652,477	2.5	9
South Tiroleans (SVP)	135,444	0.4	3	133,495	0.5	3	122,792	0.5	3	124,385	0.5	3
Others	272,555	0.9	1	379,502	1.3	2	232,235	2.3	-	494,625	1.8	2
TOTAL	30,730,269	100.0	630	29,587,471	100.0	596	26,698,172	100.0	590	26,268,912	100.0	574
SENATE												
Christian Democrats	10,208,524	37.2	133	10,782,262	41.2	122	NOTE: Parliament last year passed a constitutional amendment to increase the number of directly elected Senators to 315 and the number of Deputies to what will be an established ceiling of 630.					
Communists	6,993,604	25.5	85	5,701,019	21.8	60						
Socialists	3,856,088	14.0	44	3,683,806	14.1	35						
Liberals	2,059,452	7.5	19	1,024,309	3.9	4						
Social Democrats	1,739,880	6.3	14	1,135,151	4.4	5						
Neo-Fascists	1,694,832	6.2	15	1,119,873	4.3	8						
Monarchists	428,167	1.6	2	1,350,201	5.2	7						
Republicans	223,421	0.8	-	369,192	1.4	-	* The Communists and Socialists ran joint lists in the 1948 national elections.					
South Tiroleans	253,028	0.9	2	120,250	0.5	2						
Others			1	760,186	3.2	3						
TOTAL	27,456,996	100.0	315	26,046,249	100.0	246						

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Western Hemisphere

PROSPECTS FOR THE NEXT ITALIAN GOVERNMENT

Communist gains and Christian Democratic losses in last month's general election leave Italy still without a practical alternative to a government led by the Christian Democrats and backed by the Nenni Socialists. It seems assured that the Christian Democrats will be more dependent on both socialist parties in any such regime. The immediate outlook, however, is for the establishment of a caretaker government to hold the fort until after the Nenni Socialists' convene their party congress, probably in July.

Opponents of Premier Fanfani within the Christian Democratic Party and among its coalition partners blame him for the "distastrous" election results, and are urging that he resign. Fanfani and his center-left adherents point out, however, that the preferential voting (whereby voters express their preference among a list of candidates offered by the party of their choice) seem to have run strongly in their favor and against right-wing Christian Democratic leaders. There is an even more striking trend favoring those in Nenni's party who approve of the center-left. In any event, prolonged negotiations on the government's make-up are in prospect following the resignation of the Fanfani cabinet when Parliament reconvenes on 16 May.

What sort of caretaker arrangement will be worked out is

open to question: it may be a reinstallation of the present government, one constructed under the same formula but with another prime minister, or a minority government of Christian Democrats alone. A return to the old four-party centrist coalition including the now-strengthened Liberals, or recourse to alliance with the neo-Fascists seems most unlikely at this time.

The embassy comments that in view of the increased strength of Nenni's "autonomous" wing in the Socialist parliamentary delegation, the possibility of a Socialist return to a close working relationship with the Communists is more remote than ever. Similarly, the reported strengthening of the parliamentary representation of the Christian Democrats' left wing improves chances of keeping the "opening to the left" alive. Giuseppe Saragat's Social Democrats, who made substantial gains in the elections, are indicating an intention to use their influence to keep a center-left government in power.

However, the Socialist left wing and the Christian Democratic right, despite apparent defections from both to other parties, will work to block the formation of such a government.

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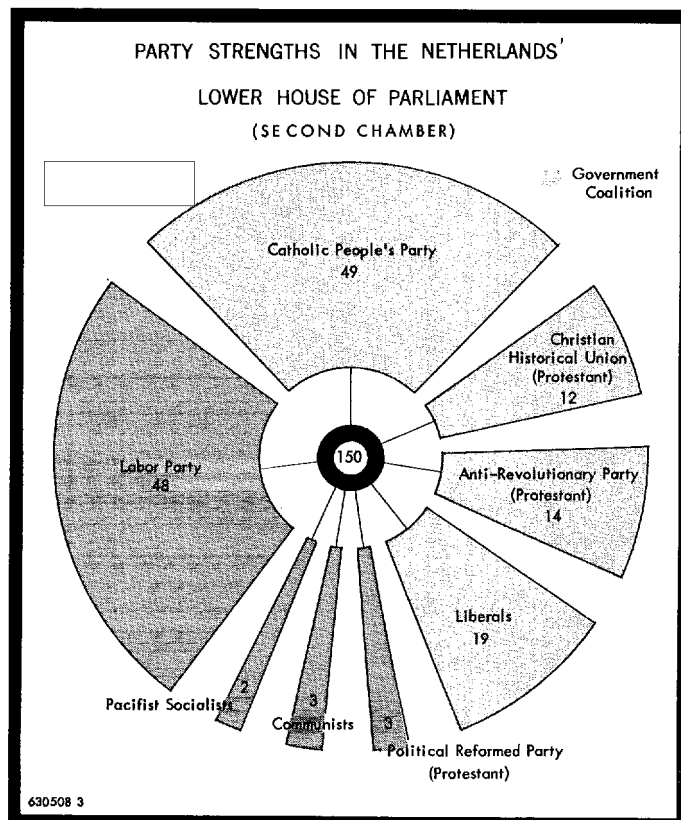
Europe

NETHERLANDS PARLIAMENTARY ELECTION ON 15 MAY

The parliamentary election in the Netherlands on 15 May is not expected to produce any surprising shifts in voter sentiment. The Catholic People's Party (KVP), the dominant element in the government coalition, and the opposition Labor Party will probably each win about one third of the 150 seats in the lower chamber. The remainder will be divided largely among the Liberals and the two principal Protestant parties.

The pre-election campaigning has focused on purely domestic issues. Little has been said about foreign and defense policies, since there is a broad measure of agreement on these matters among the non-Communist parties. Efforts by the small Communist Party and pacifist elements to bring into question the Netherlands' affiliation with NATO and its military cooperation with West Germany have had little response.

The consensus is that the KVP will again form the nucleus of the next government, but it is open to question which of the other parties will make up the coalition. Earlier it had been assumed that Labor, which has been in opposition since 1958, would once again be taken into the cabinet, but the failure of Labor's campaign to catch fire thus far has lessened the prospects for such a development. If the other three coalition parties--the Liberals and the two Protestant parties--hold their own in the election, the present coalition probably will be retained.



One of the first problems the new government will have to face is whether or not to participate in the proposed NATO multilateral nuclear force (MLF). Dutch officials have indicated they felt priority should be given to creating the Interallied Nuclear Force (IANF) as being the most realistic short-term approach. On balance, however, The Hague is believed to be sympathetic toward the proposal for a MLF but is reportedly having difficulty convincing Dutch military leaders of its feasibility.

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Western Hemisphere

HAITIAN-DOMINICAN TENSIONS CONTINUE

Tension between Haiti and the Dominican Republic remains high, but the pushing and hauling now is mostly on the diplomatic level. The OAS investigating team is preparing to return to Haiti with a broadened mandate to perform "whatever service is necessary" to settle the dispute.

Dominican President Bosch is incensed because the OAS has not decided to take strong action against Haitian dictator Duvalier. He has told the US ambassador he will refuse the commission permission to enter his country, and if they arrive unannounced he will make a public speech "saying things they have never heard from a president." The ambassador says that Bosch feels "betrayed" and endangered politically.

Internal as well as external pressures on Duvalier are still on the increase. His legal term as president expires on 15 May

The increasingly bold attacks mounted by his enemies in recent days, notably by followers of Clement Barbot, lend some credence to these reports. Just what effect these pressures are having on the dictator is not yet clear.

Dominican armed forces remain poised along the border.

Bosch's tactic so far, however, has been to use the "Haitian crisis" to gain political advantage at home.

Latin American embassies in Port-au-Prince are apparently concerned over the possibility that the regime will retaliate against them for granting asylum to large numbers of Haitians escaping Duvalier's terror. Duvalier has given the OAS guarantees for the safety of political refugees, probably in hopes of forestalling either the establishment of an OAS "presence" or a Dominican invasion. A few asylees have already left the country. There is no certainty, however, that Duvalier will permit all asylees to leave or that he will oust relatives of the late Dominican dictator Trujillo--for whom he personally ordered visas.

The Haitian Government had received from Dutch authorities landing rights for a flight from Haiti to Curacao, but canceled the flight on 8 May.

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Western Hemisphere

POLITICAL MANEUVERING IN PERU INTENSIFYING

Four presidential candidates are campaigning vigorously for elections which the Peruvian military junta has repeatedly claimed will be held on 9 June, as scheduled.

an air of unreality pervades the political scene.

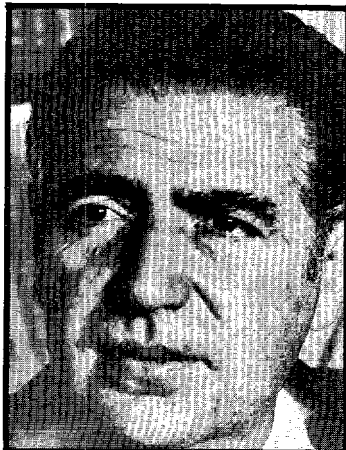
One of the first acts of the junta when it seized power in July 1962 following the June elections was to promise to hold new elections a year hence. The military leaders believed that the plurality of votes won in 1962 by their perennial foe, APRA leader Victor Raul Haya de la Torre, was the result of a "massive fraud." After re-registering all the eligible voters to eliminate "fraudulent" registrations, the junta is convinced that APRA now can be decisively defeated.

APRA and its leaders are undismayed. In fact, they welcome the rerun as an opportunity to prove that their near victory in 1962 was genuine. Furthermore, with

the number of candidates reduced from seven to four, APRA members are confident that Haya will win more than the minimum of one third of the total vote required for election to the presidency.

Like Haya, two other candidates are holdovers from 1962. Ex-dictator Manuel Odria is running for his own party, the National Union for Odria (UNO), and ex-architect Fernando Belaunde is the candidate of a coalition of his Accion Popular and the Peruvian Christian Democrat Party (AP-PDC). Both UNO and AP-PDC claim to be reformist, non-Marxist, and acceptable to the military and the oligarchy.

The fourth candidate, ex-engineer Mario Samame Boggio, who presents himself as the candidate of the "responsible left," is sponsored by a loosely organized party formed for the purpose and known as the Union of the Peruvian Public (UPP). He has no chance of winning on his own, but has let it be known that he is available as a compromise candidate for APRA support if APRA is outlawed by the military.



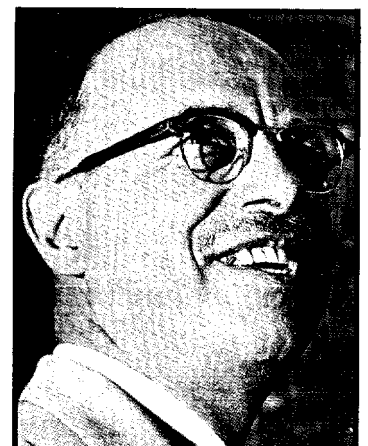
BELAUNDE



HAYA



ODRIA



SAMAME

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Western Hemisphere

AREA NOTES

Venezuela: Army and national guard officers are increasingly disturbed by the gradual breakdown of law and order in Venezuela due to Communist hit-and-run violence and by the apparent inability of civilian authorities to deal with the problem. Sentiment to have the military assume a greater role in suppressing Communist terrorism has almost certainly been fed by last week's sabotage of a military commissary and the unending terrorist attacks on armed forces personnel.

Communist leaders, whose strategy all along has been to assume they could ride to power on a wave of popular dissatisfaction generated by a military move to topple the Betancourt regime, see many advantages in the present situation.

Failing to precipitate a military overthrow, Communist efforts would appear to have as a secondary objective the creation of conditions which would compel the government to suspend constitutional guarantees, and perhaps cancel the presidential elections set for next November. In doing so, they would hope to shatter

public confidence in Betancourt's coalition government as well as to prevent the installation of a similar regime as its successor.

Nicaragua: The new administration of Rene Schick Gutierrez, who succeeded Luis Somoza Debayle as President of Nicaragua on 1 May, is likely to be reasonably competent and honest. Schick has indicated a determination to govern in his own right even if it means resisting Somoza pressure. There will probably be no change in Nicaragua's pro-US orientation.

Although several of the cabinet appointees are relatively unknown in Nicaraguan politics, most appear to be men of integrity. The two holdovers in the cabinet, the ministers of foreign affairs and labor, are both experienced and able. There seem to be only two leftists in important positions: Pedro Quintanilla, secretary to the presidency, and Andres Garcia Perez, minister of economy.

It is still too early to predict what kind of relationship the new President will have with General Anastasio (Tacho) Somoza, who has been retained as chief of the national guard, the country's only military force. So far, there has been no evidence that the general has applied pressure on Schick or his government. None of the cabinet members is a close friend of Tacho, and some have opposed the Somoza leadership of the ruling National Liberal Party for various reasons in the past.

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World Organizations

SPECIAL UN GENERAL ASSEMBLY SESSION

The UN General Assembly is scheduled to convene in special session on 14 May to discuss financing of UN peace-keeping operations. It will probably also take up such other potentially explosive issues as Southern Rhodesia, the retraining of the Congolese Army, and the absence of an agreement on a nuclear test ban.

Financing of UN operations such as those in the Congo and Palestine has been haphazard. The UN has relied primarily on voluntary contributions from the more affluent members--chiefly the United States. To regularize this financing and also to ensure that peace-keeping expenses are more equitably shared, the United States will push for a formula which would obviate its paying more than its regular assessment of 32.02 percent of UN expenses. However, prospects for a financially workable formula which all UN members will honor now seem remote.

The Afro-Asian bloc appears intent on using the special session to spotlight colonial issues. One of these will be Britain's refusal to press Southern Rhodesia to allow increased African participation

in the colony's government. Afro-Asian members of the Congo Advisory Committee are also likely to question the legality of plans for NATO countries and Israel to train the Congo National Army. They assert that such training, even though requested by the Adoula government, would be neocolonialism.

In addition to these colonial issues, the eight nonaligned nations at the Geneva disarmament conference are thinking about submitting the problem of a ban on nuclear testing to the special session in the hopes of breaking the impasse between the US and USSR on the number of inspections needed to enforce an effective test ban. These countries contend there is no alternative to such a move in view of the failure of a compromise at Geneva.

The addition of these controversial items to the already tricky problem of financing will result in prolonged, bitter, and probably inconclusive debate.

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